

## 131st MAINE LEGISLATURE

## **SECOND REGULAR SESSION-2024**

**Legislative Document** 

No. 2082

S.P. 875

In Senate, January 3, 2024

An Act to Ensure the Financial Stability of Behavioral Health Services Providers and Housing Assistance Providers

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Health and Human Services suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator BENNETT of Oxford.
Cosponsored by Representative SACHS of Freeport and
Senators: BALDACCI of Penobscot, ROTUNDO of Androscoggin, TIMBERLAKE of
Androscoggin, Representatives: CARLOW of Buxton, MATLACK of St. George,
SALISBURY of Westbrook, SHAGOURY of Hallowell, Speaker TALBOT ROSS of Portland.

**Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Department of Health and Human Services has been slow to finalize contracts with and make payments to behavioral health services providers and housing assistance providers under the Bridging Rental Assistance Program and the federal shelter plus care program; and

Whereas, the department relies on these providers to provide services; and

Whereas, delays in contract awards, finalization and payments have required providers to access loans or lines of credit to bridge temporary financial gaps; and

**Whereas,** without timely payments from the department, providers must pay expenses, including rent to landlords for housing, out of the provider's own line of credit, which can create cash flow challenges that threaten the provider's solvency; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 34-B MRSA §3012 is enacted to read:

## §3012. Administrative expenses and interest charged to providers accessing lines of credit or loans

The department shall pay administrative expenses and interest charged on lines of credit or loans accessed by behavioral health services providers and housing assistance providers when a delay in awarding, finalization or payment of a department contract requires the provider to access the line of credit or loan. For purposes of this section, "housing assistance providers" include the Bridging Rental Assistance Program established in section 3011 and the federal shelter plus care program authorized by the federal McKinney-Vento Homeless Assistance Act, Public Law 100-77 (1987) as amended by the federal Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, Public Law 111-22, Division B (2009).

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

32 SUMMARY

This bill requires the Department of Health and Human Services to pay administrative expenses and interest charged on lines of credit or loans accessed by behavioral health services providers and housing assistance providers when a delay in department contract award, finalization or payments requires the provider to access the line of credit or loan.